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ABSTRACT

This research plan is a direct response to the education Amendments of 1974 which instructs the National Institute of Education to design and conduct a compensatory education study. The research design, as outlined in this report, intends to examine programs and look for identifiable factors in funding, organization, and instructional methods which explain success. Data is reported under three general topic areas common to all federal education programs: (1) research on programs for students in need of compensatory education, (2) research on the allocation of funds to support compensatory education programs, and (3) research on the operation of federal, state, and local agencies which deliver compensatory education programs. On the basis of the research to be provided by this report, Congress intends to draw conclusions about the need for further legislation and programs in compensatory education, and to use the results in its deliberations in 1977 concerning reauthorization of Title I of the Elementary and Secondary Education Act. (CS)

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RESEARCH PLAN

COMPENSATORY EDUCATION STUDY

December 16, 1974

The National Institute of Education
Washington, D.C.

PS 007700

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INTRODUCTION

The Education Amendments of 1974, which were signed into law on August 21, 1974, contain a provision for a study of compensatory education. The Act instructs the National Institute of Education to design and conduct a study which will:

- Examine the fundamental purposes and effectiveness of compensatory education programs.
- Analyze ways of identifying children in greatest need of compensatory education.
- Consider alternative ways of meeting these children's needs.
- Consider the feasibility, costs, and consequences of alternative ways of distributing federal compensatory education funds.

NIE is directly responsible to Congress for the design and execution of the study. In accordance with the provisions of the law, this plan is being submitted to Congress within 120 days after enactment of the 1974 Amendments; interim and final reports must be transmitted on dates established by Congress, prior to any review of the findings outside the Institute. The National Advisory Council on the Education of Disadvantaged Children is to advise the Institute with respect to the design and execution of the study.

On the basis of the research, Congress intends to draw conclusions about the need for further legislation and programs in compensatory education, and to use the results in its deliberations in 1977, concerning reauthorization of Title I of the Elementary and Secondary Education Act. The study's focus, however, is much broader than the existing Title I Program. NIE is required to examine compensatory education in general, and to provide Congress with specific recommendations about the range of possible objectives, funding and administrative techniques, and educational programs.

The purpose of this study, therefore, is to provide information which will help Congress build the most effective possible program to strengthen compensatory education. The study's proper concern is with the adequacy of educational programs provided to students. It will examine programs and look for identifiable factors in funding, organization, or instructional methods that explain success. The study has no interest in explaining program success or failure by comparing children. Research of that kind offers neither clear information for the design of educational services, nor guidelines for upgrading programs in line with the purposes of compensatory education.

We have tried to build a framework to contain the diverse problems the study must encompass. The framework consists of three elements common to all federal education programs: a) the objective which Congress hopes to achieve -- the improvement of education for children; b) the funds and allocation procedures which Congress establishes in pursuit of its objective; and c) the operation of federal, state and local agencies which are

Congress' agents in using federal funds to attain the objective. Therefore, the study will include:

Research on programs[1] for students in need of compensatory education.

Under this topic we shall study aspects of the development and implementation of educational programs. The research is intended to identify the purposes of existing compensatory programs and should provide evidence about the effectiveness of available classroom instructional techniques.

Research on the allocation of funds to support compensatory education programs.

Under this topic we shall study the implications of alternative criteria for allocating compensatory education funds. The results of this research will help to identify the range of feasible allocation criteria, and to demonstrate both the effects of each criterion on the resources received by various localities, and the effectiveness of the alternative criteria in providing funds for the education of children most in need of compensatory education.

Research on the operation of federal, state and local agencies which deliver compensatory education programs.

Under this topic we shall study the federal, state and local administration of compensatory programs and its effects on program operation.

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[1]Program is defined here as a plan for using educational funds. Depending on the particular objectives adopted, it may vary in content from hiring of staff to creating a special instructional strategy for teaching basic skills.

The results of this research will help us understand how this administrative hierarchy operates, and suggest ways of improving its performance.

In the sections which follow, these three research topics will be discussed under the headings of Student Development, Fund Allocation, and Administration of Compensatory Programs.

PART I: STUDENT DEVELOPMENT

This section proposes and describes research into the nature and results of compensatory education programs as they currently exist in schools. NIE's mandate to examine compensatory education programs is described in clauses (1) and (3) of Section 821(a) of P. L. 93-380.

> (1) an examination of the fundamental purposes of such programs, and the effectiveness of such programs in attaining such purposes;
>
> (3) an analysis of the effectiveness of methods and procedures for meeting the educational needs of children including the use of individualized written educational plans for children, and programs for training the teachers of children.

In response to Congress' general mandate, and in particular to these two clauses, we propose to conduct:

- A general survey of compensatory education activities in a representative sample of districts, to describe the goals of such activities and the methods adopted for attaining them (District Survey I).
- A synthesis of existing data on program effectiveness, and secondary data analyses, using materials collected by education agencies, the Federal Government, education organizations and independent researchers.
- A more detailed survey of compensatory education in a small number of specially selected districts, to analyze the effectiveness of particular methods for meeting children's needs (District Survey II).

Described below are the research issues to be addressed (Section A) and the research projects that will be conducted (Section B).

A. RESEARCH ISSUES

Compensatory education's potential benefits to children depend on the nature and quality of programs schools can mount with the personnel and funding available to them. In order to provide information on what a national compensatory education program may achieve, NIE's report must inform Congress about the types of school programs on which compensatory funds have actually been spent, and about how these funds have affected the quality of education provided to children.

For this reason, a primary objective of the proposed research is to provide an accurate description of the educational activities which compensatory funds currently are supporting. These activities will be described in terms of their stated purposes or intent, their operating characteristics, and the methods used by schools and districts to assess whether program objectives have been met.

For any particular school, the research will provide evidence about the degree to which the educational program conducted actually corresponds to the school's stated objectives for its compensatory education activities, and to the procedures being used to assess program success. The research will furnish a general profile of compensatory education programs, which will distinguish the language by which compensatory education activities are described from the actual practices and strategies by which they are implemented. By distinguishing the intent of programs from their

operating characteristics, it will help identify those purposes of compensatory education which can be readily translated into classroom practices and can meaningfully be evaluated.

In addition, NIE will consider the effectiveness of the educational activities supported by compensatory education programs. The research will examine program effectiveness from a number of perspectives, but two indicators of program success will be emphasized; the first will be students' knowledge of basic skills, and the second will be the nature of the school environment[2] created by a program.

In the past, studies of the effectiveness of compensatory education have been hampered by conceptual difficulties (i.e., problems in establishing methods and standards of assessment which were appropriate to the real content of the program), and by practical problems (i.e., difficulties in obtaining complete and reliable data about students' educational experiences and their learning gains). This study does not inherit any infallible research techniques. It is, however, designed to avoid one of the major difficulties of most previous research in this area--i.e., that students' scholastic achievement was measured without clear information on the educational programs in which they participated. By obtaining information about the actual implementation of compensatory programs in a sample of districts, this study will have a basis for assessing

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[2]School environment is emphasized in the proposed research because of its importance for both humanitarian and instructional purposes. Schools are where children and adolescents have their major contact with the institutional world outside the family, and their experiences there deeply affect their attitudes toward society. Moreover, students should be provided with an environment which encourages them to persevere in school and concentrate on learning; their ability to do so appears to be a better predictor of college and job success than scores on standardized achievement tests.

relationships between t operating characteristics of educational programs and their effectiveness.

The proposed studies of program purposes and effectiveness will address the following specific issues.

1 Program Purposes, Strategies, and Evalution Techniques

a. What are the purposes of existing compensatory education programs and expenditures?

Past evaluations of Title I have not provided clear information on program purposes nor are any overall data available on the purposes of compensatory programs funded from other sources. At present, we do not know accurately how many districts allocate compensatory funds to improve reading and math achievement, enhance socio-emotional development, provide cultural enrichment or improve children's health. We shall, therefore, survey a representative sample of districts to determine what objectives have been adopted by educators responsible for planning compensatory education programs This survey will cover the use of funds derived from both federal and state programs, and will provide a description of current goals and priorities in compensatory education.

b. To what extent have districts developed programs consistent with their stated objectives?

Existing research suggests that an effective program requires the detailed planning and implementation of procedures tailored to

achieving particular goals. Thus, "It Works," the AIR study of successful compensatory programs, and the Follow Through and Head Start Planned Variation studies all cite clear objectives, and instructional plans which are directly relevant to these objectives, as characteristics of programs which have been successful in teaching specific skills (Wargo, 1971; ABT Associates, 1973; Smith, 1973). We intend to examine whether the districts surveyed have, in fact, developed a clear and specific plan for the use of their compensatory education resources, and to determine whether the operating characteristics of programs are directly relevant to their stated goals.

c. What evaluation procedures are currently used by school districts to assess programs' success in accomplishing their purposes?

Academic programs can usefully be evaluated if measures are selected which are directly relevant to the instructional content. Other programs, such as those designed to provide cultural enrichment or increase teachers' sensitivity and understanding of their students, are less amenable to evaluation because the desired outcomes are difficult to spell out and appropriate measures often are not available. The proposed research will examine the assessment techniques used in districts, and will determine how far they have proven relevant and useful in measuring the attainment of program purposes, and in providing feedback to program personnel. The research will also describe the types of program purposes which appear, when appropriately evaluated, to be attainable, and will

identify those purposes and objectives which cannot be assessed adequately using existing evaluation techniques.

2. Program Effectiveness

a. What district and school practices encourage the effective implementation of compensatory programs?

There is evidence that certain aspects of district and school organization--e.g., teacher training activities; an efficient communication and evaluation system; teacher participation in district planning; and parent involvement--are related to the development of effective compensatory programs. Existing research (e.g., Orfield, 1974; State of New York, 1974; Stone, 1974) has underlined the importance of school administration and organization in building morale, implementing new practices or improving the quality of a given activity, such as reading instruction.

In the proposed research, we shall collect information on certain characteristics of district organization and investigate the relationship between these and program implementation. The research will be designed to provide information on successful organization and on how to implement such important elements in a district's compensatory program as an efficient communication system between school and home, or the inservice teacher training highlighted in NIE's mandate. Moreover, these findings should have the advantage of being generally applicable rather than relating to specific and

detailed programs in particular schools, as has been the case with many previous studies of successful programs.

b. What is the impact of various educational techniques on students' learning and classroom experiences?

There is a large amount of research on program effectiveness at the classroom level. In investigating relationships between program goals and instructional procedures on the one hand, and students' learning and classroom experiences on the other, NIE proposes to review existing data and conduct further research into the effectiveness of compensatory programs. Analyses to date have suggested that the goals of a program may determine which instructional procedures should be adopted; for example, a carefully sequenced curriculum might be most appropriate for teaching basic skills, while a more flexible approach might be effective for teaching students to solve problems or think creatively (e.g., Rowe, 1974; Soar and Soar, 1972; Thelen, 1967). Therefore, particular attention will be given in the review to the interaction between program goals and the teaching techniques which are appropriate to implement these goals.

NIE will also conduct an in-depth study of a small number of districts which will focus on the effectiveness of programs intended to teach basic academic skills. The study will examine the instructional techniques employed in the classroom, particularly the use of individualized instruction, and the way in which compensatory

education activities are fitted into the regular school program. Both are areas which existing research suggests may be of significance in determining program effects

Individualized techniques have consistently been identified by researchers as particularly successful in teaching basic academic skills such as reading or mathematics (e.g., Wargo, 1971; White, 1972). Most successes, however, have occurred in connection with special experiments which were established in a more costly and closely controlled environment than can normally be maintained in schools. Therefore, there is a need to examine the degree to which individualization can be accomplished in the regular classroom, and the ways in which it can best be introduced.

An initial step in conducting this research is to define what is meant by individualization. In the most general sense, it is instruction in which educational plans are developed to meet the needs of individual children. In practice, it has included a number of other characteristics--e.g., frequent diagnosis of children's strengths and weaknesses, instruction delivered in small groups or on a one-to-one basis, instructional sequences which are carefully structured to teach specific objectives, and provision of a variety of instructional materials selected to complement individual variation in both pace and style of learning. An examination of current methods used in classrooms is needed to assess the feasibility of providing individualized instruction in compensatory education programs, to identify components of individualization which appear

linked to gains in basic skills, and to determine possible negative side effects (e.g., excessive demands on the teacher or lack of sufficient time for all subjects), which may be inherent in some forms of individualization.

In addition to examining instructional techniques, it is important to consider how compensatory activities are coordinated with regular instruction. Particular attention will be paid to the relative merits of mounting separate remedial programs rather than using funds to introduce school-wide changes in curriculum and teaching techniques. Present Title I regulations require that schools provide separate remedial programs for children eligible for compensatory education. This ensures that target pupils receive special attention but also may encourage some schools to "track" or group low-achieving children, sometimes in completely separate Title I classrooms. Other schools plan their programs on the assumption that children can be given compensatory instruction within the regular classroom; that contact with higher-achieving peers may, itself, enhance performance, and that providing special tutoring without changing the basic instructional approach of the school is not a good way to improve pupils' education in the long run. The selection of programs for in-depth study will therefore be made so as to allow comparison of the effects of giving separate compensatory instruction with those of changing the regular classroom.

B. RESEARCH PROJECTS

The issues described above will be addressed through a reanalysis and synthesis of existing data, and through two survey projects. The proposed surveys will obtain information from direct observation of sample districts, rather than through reliance on schools' description of their own activities. Studies designed to evaluate the effectiveness of compensatory education programs have typically depended on data of the latter type. For example, TEMPO in 1967, and the National Surveys of 1968 and succeeding years, attempted to evaluate programs' effects through reports and questionnaire responses submitted by school districts. The responses obtained, however, provided little information on program structure, or on what an enrolled child actually experienced. In addition, reports of achievement scores often gave no indication as to which students had been tested, or whether they had, in fact, participated in any compensatory programs. In some cases, it was even unclear whether the measures reported were pre-test or post-test scores (McLaughlin, 1974).

The general conclusion of these large evaluations, that compensatory education funds do not raise children's academic achievement significantly, must, therefore, be treated with considerable reservation. In general, the large-scale survey has been of limited value in describing program effectiveness. The research which has provided the most useful information to date has been considerably smaller in scale, and has used on-site analysis and observation (e.g., "It Works" and the Follow Through and Planned Variation studies cited above). Therefore, in studies of program

purposes and effectiveness, NIE proposes to emphasize those investigations which include on-site analysis of school districts and programs.

1. Program Purposes, Strategies and Evaluation Techniques

a. District Survey I

The purpose of District Survey I is to provide a realistic description of the goals of a representative sample of compensatory education programs and of the methods adopted for attaining these goals. School districts will be selected for study to represent variations in geographic region, size, type of location (rural or urban), and average family income. Within these districts, a range of federally and state funded programs (e.g., Title I, state compensatory programs, ESAA, Follow Through) for both elementary and secondary students will be considered.

Approximately 75 to 100 districts will be included in the survey sample. It is estimated that two observer/interviewers will collect data at each site for approximately one week per month during one school year. This data collection effort will involve interviews with teachers, parents, and children; and with administrators in state and local education agencies. It will also involve direct observation of a sample of planning sessions and school programs.

2. Program Effectiveness

a. Research Synthesis and Secondary Data Analysis

Existing information on program purposes and effectiveness will be collected and synthesized to provide a summary of current

knowledge. A considerable amount of review work exists, and NIE staff will build on this. However, such reviews often concentrate on one aspect of compensatory education (e.g., methods of teaching reading), and tend to focus on work conducted and published by university researchers. Valuable information collected by states, school districts and education organizations also needs to be collected and synthesized. Therefore, materials will be collected from educators directly, as well as by conventional library research techniques, and the ERIC Information Retrieval System. In addition, secondary analyses will be conducted using existing data sources, where these data contain information directly relevant to the issues addressed by the present study.

b. District Survey II

The purpose of District Survey II is to analyze in considerably greater depth compensatory education programs which include special individualized instructional methods for the teaching of basic skills, and are characterized by different approaches to targeting funds to eligible children (this will permit a comparison of the effects of giving separate remedial instruction with those of programs which focus on changing the regular classroom). The study, involving on-site observations, will be conducted in a small number of districts selected from program descriptions submitted by the districts themselves, from nominations of educators and parent

groups, and from on-site visits. Extended classroom observations will be required both to describe the critical components of the instructional techniques being used and to assess the relationship of these components to students' learning of basic skills.

As observed above, two measures of effectiveness will be used for this research--knowledge of basic skills and the nature of the school environment which students in different compensatory programs experience. Knowledge of basic skills will be determined by measures of reading and mathematics achievement. School environment measures will include such variables as teacher expectations, morale and sense of involvement in the compensatory program, relationships between teachers and pupils, percentage of school time spent in instructional as distinct from disciplinary or maintenance activities, classroom disruption, and student attendance rates and attitudes toward school.

Approximately 8-10 districts will participate in the survey, and it is estimated that two full-time observer/interviewers will collect data in each site for one and one-half years. Planning for this survey will require selection of appropriate instruments for measuring the program components, establishment of criteria for inclusion of achievement data, and development of indices of school environment. In addition, considerable preliminary work will be done in candidate districts to make a final selection of schools to participate in the study.

PART II: FUND ALLOCATION

This section proposes and describes research related to the allocation of federal funds for compensatory education. NIE's mandate to examine this topic is defined in clauses (2), (4), and (5) of Section 821 (a) of P. L. 93-380:

> (2) an analysis of means to identify accurately the children who have the greatest need for such programs, in keeping with the fundamental purposes thereof;
>
> (4) an exploration of alternative methods, including the use of procedures to assess educational disadvantage, for distributing funds under such programs to states, to state educational agencies, and to local educational agencies in an equitable and efficient manner, which will accurately reflect current conditions and insure that such funds reach the areas of greatest current need and are effectively used for such areas;
>
> (5) not more than 20 experimental programs, which shall be reasonably geographically representative, to be administered by the Institute, in cases where the Institute determines that such experimental programs are necessary to carry out the purposes of clauses (1) through (4), and the Commissioner of Education is authorized, notwithstanding any provision of title I of the Elementary and Secondary Education Act of 1965, at the request of the Institute, to approve the use of grants which local educational agencies are eligible to receive under such title I (in cases where the agency eligible for such grant agrees to such use), in crder to carry out such experimental programs.

In response to these requirements, we propose to conduct:

- Studies of the costs and feasibility of using alternative eligibility criteria for the allocation of Title I funds.
- Simulations of the effects of alternative Title I eligibility criteria on the amounts of grants provided to states and local education agencies.

- o Assessments of the effects of the alternative eligibility criteria on the incentive structures of local educational agencies.
- o Studies of the practices actually employed by states in allocating funds to their constituent districts, and by districts to schools and eligible children.
- o Experimental projects which permit selected school districts to allocate Title I funds according to eligibility criteria other than those established by Section 103 of Title I.

The following sections describe the research issues to be addressed and the research projects that will be conducted.

A. RESEARCH ISSUES

Congress cannot administer detailed programs at the school level, although it may be able to influence the design and focus of those programs through the formulae and mechanisms used for distributing federal educational funds. Funding formulae give concrete expression to Congress' ideas of equity and national priorities in the distribution of educational resources.

In categorical federal education programs like Title I, the normal channels for allocation of funds are to state education agencies, thence to counties, school districts and schools. The allocation to states and counties relies on formulae which calculate entitlements on the basis of statistics that are available nationwide in standard form. Allocations within counties are done by the states, and must be based on statistics which reasonably reflect the distribution of low-income children within

the state. Decisions about how allocations are to be made at all levels have considerable impact on the final allocation and use of federal money.

A full exploration of the problem of allocating federal funds to achieve the particular allocation of resources Congress wishes to accomplish requires us to address the following research issues.

1. Development of Funding Criteria

   a. What statistics must be developed to permit operational definitions of alternative notions of equity?

   In popular and Congressional debate, three alternative concepts of equity in the allocation of federal compensatory education resources are commonly proposed. They are: a) that compensatory funds should be used to assist schools with large concentrations of low-income children (this notion has been reflected in the methods used to allocate Title I funds to date); b) that compensatory funds should be used to assist students in school districts which have inadequate tax bases, and greater than average costs of providing education and other public services (this has been proposed and examined extensively in the academic school-finance literature, and by school finance reform commissions in several states); and c) that compensatory funds should be used to provide services to all low-achieving children, regardless of their parents' income or their district's relative need (this was the subject of a major effort to redesign the allocation procedures for Title I in the 93rd Congress).

To be used in a formula for allocating funds, each of the three basic notions of eligibility must be defined in terms of specific measures which are available in standard form for every state and county in the country. The poverty criterion can be defined in terms of national poverty and welfare statistics or other measures which reflect family income. Some operational definitions of districts' ability to support adequate education with their own tax revenues (hereafter called "district need") have been proposed, but there is now no single set of appropriate national statistics available. Several operational definitions for the student achievement criterion have been proposed, but some disagreement remains about the appropriateness of existing achievement tests; there is also no comprehensive source of national student achievement statistics at this time.

Proxy measures to operationalize all three funding criteria can certainly be devised, but every possible data base has costs of assembly and maintenance, technical constraints in measurement which determine accuracy, and reporting schedules which limit the timeliness of statistics. The proposed research will determine whether appropriate national data bases can be built, and (for those criteria for which national statistics can be assembled) will examine their costs, accuracy, and timeliness.

2. Distributional Consequences and Incentives Implied by Alternative Eligibility Criteria

a. How do funding criteria based on poverty, district need, and student achievement, affect the allocation of federal compensatory funds to states, counties, LEAs, and students?

The real distributional implications of the alternative funding criteria are not intuitively apparent. The allocation of funds (especially according to the district need and student achievement criteria) must depend on national statistics whose characteristics we now can describe only approximately. The obvious next step after devising operational definitions of the three alternative funding criteria is to determine what their real effects on the distribution of funds will be.

Allocating funds according to poverty, district need, and student achievement also involves further complications which will be investigated. Each of the alternative eligibility criteria relies on statistics which can reflect local policy. AFDC enrollment, which reflects both state law and local welfare caseload policies, is a major determinant of a state's or district's poverty count. Local tax effort and teachers' salaries are major sources of district-to-district variation in nearly all indices of district financial strength or "need." Student achievement scores can be enhanced or depressed by changing testing schedules, excluding selected students, or teaching to the test. States or districts might be tempted to change their policies to affect these figures, in order to maximize their share of federal funds. Thus, for poverty, district need, and

student achievement, this study should investigate the incentives they contain which might indirectly affect local policy, and the ways of overcoming possible negative effects.

For Congress, an informed choice among the criteria and formulae which rely on them requires information on their implications for the distribution and use of funds. This information will be based on simulations of the effects of possible new allocation criteria, studies of state and local allocation practices, research on the incentives and disincentives implied by the various criteria, and experimental projects which use some of the alternative criteria in selected school districts.

B. RESEARCH PROJECTS

Both of the research issues defined above will be addressed by a number of research projects. The following description of projects adheres to the outline of research issues in the preceding section.

1. Development of Funding Criteria

Work under this issue will assess the feasibility of developing national statistics to operationalize the three alternative allocation criteria. When possible, existing statistics will be assembled into national data files which can be used in computer simulations of the distribution of Title I funds resulting from each of the allocation criteria. Because the problems of data availability differ greatly among the three sets of criteria, they must be addressed by separate projects.

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a. Project on Poverty Measures

Under Section 823 of the 1974 Amendments, the Assistant Secretary for Education is instructed to "supervise, with the full participation of the National Institute of Education and the National Center for Education Statistics, a thorough study of the manner in which the relative measure of poverty for use in the financial assistance program authorized by title I of the Elementary and Secondary Education Act of 1965 may be more accurately and currently developed." Our work on the data requirements and implications of poverty measures will therefore take place within the context of the ASE study, on which joint planning activities are currently underway.

As presently conceived, the Assistant Secretary's study will involve:

- o A survey of statistical definitions in current use and of available data sources, including those used by SSA, SRS, BLS, HUD, etc.
- o An analysis of the effects on Title I allocations of updating the existing poverty measure and official index, or of making adjustments for regional and urban/suburban/rural consumption differences.
- o An exploration of alternative concepts of income, broader than that currently used for Title I allocations, and including, e.g., non-money income transfers.
- o The examination and development of alternative methods for estimating the number of children in poverty by state and substate units.

In addition to participating in the planning and implementation of these activities, NIE proposes to build upon and supplement them in three ways:

- o By building a proxy data base to permit simulations of the distributional consequences of any new operational definition of poverty which the Assistant Secretary's task force concludes is preferable to the definition currently used in the Title I program (see Issue 2 below). This will include simulations of the current Title I poverty criterion, with adjustments for census undercounts of low income and minority children.
- o By examining the criteria which states now use for subcounty allocations of Title I funds, in search of further alternative operational definitions of poverty.
- o By using experimental projects (see Issue 2 below) to observe the effects on fund allocation and district organization of using poverty figures in combination with other measures as criteria to allocate funds within school districts.

b. Project on District Need

This has been an active topic in both the research and the advocacy literatures. Economists (e.g., Akin, 1973, and Sacks, 1974) have devised procedures for constructing indices of district need and some have simulated their effects on the allocation of state (though

not federal) aid-to-education funds. These indices generally rely on statistics which are current and easy to obtain (e.g., assessed property valuation, millage rates, teachers' salaries, and real estate costs) or on commonly accepted indices (e.g., area costs of living and the number and costs of services which must be financed out of a single tax base). However, there are two major technical problems associated with district need. The first is that many of the statistics and indices which have common meanings within states have different meanings from state to state. The second is that an unsophisticated district need formula can work invalidly to make large central cities appear more wealthy--and thus, less in need of assistance--than they are.

This project must therefore conduct several tasks. First, it must review and summarize the literature to identify those measures commonly regarded as the best indicators of district need. Second, it must assess the feasibility and cost of building a set of standard national statistics containing valid indicators of the costs which must be borne by a district's tax base, as well as of taxable wealth. If building a truly valid data base is feasible, the project's third task is to assemble a set of standard statistics covering at least five states, in order to simulate the effects of using an eligibility criterion based on district need on the allocation of federal compensatory education funds. (Simulations will be conducted under Research Issue 2 below.)

c. Project on Measures of Students' Academic Performance

Because student academic performance was proposed in the 93rd Congress as an alternative criterion for allocating Title I funds, several researchers have initiated studies to assess its costs and feasibility. To date, these studies have relied either on results of a single norm-referenced test given in a few localities, or on the "Anchor Test" technique developed by the Educational Testing Service to standardize results from norm-referenced tests of basic skills. Because the anchor test technology was still under development when the earlier studies were conducted, results are subject to some uncertainty in interpretation. This study will be able to employ a later version of the test-anchoring technique than was previously available and will use it to estimate the costs of assembling a national file of norm-referenced test results. It will also build a file of such results that is representative of all sections of the country and all types of school districts (to be described under Issue 2 below).

The project will also consider the costs and feasibility of using criterion-referenced tests to allocate federal funds. This analysis must cover both within-state and between-state allocations. Some experience with within-state allocation is now available from the Michigan State Chapter Three Program, which uses a test with some criterion-referenced features to determine eligibility. The project will analyze the criterion-referenced components of the Michigan

State testing program to determine their costs of development and implementation, and to assess their specific effects (if any) on the allocation of funds and management of educational programs.

Between-state allocations would require a national criterion-referenced testing program. Work in this area is now rudimentary. Testing experts (as well as practitioners) are divided, both about whether educational performance criteria are well enough defined to guide the formulation of particular test items, and about whether available techniques for analyzing test results represent an improvement over norm-referenced methods.

This project will therefore review the theory and practice of criterion-referenced testing, toward conclusions about:

- o The readiness of existing methods of criterion-referenced testing to be used for the purposes of gathering national statistics.
- o The availability of analytical techniques which use the results of criterion-referenced tests in ways which differ substantially from conventional norm-referenced analysis.
- o The costs of adapting existing methods and instruments for use in gathering national statistics.
- o The likelihood of advances in criterion-referenced testing which would improve the validity or reduce the cost of a national testing program before 1977, when Title I is to be reauthorized.

- o The nature and costs of the research required to make those advances.
- o The availability of objective- or criterion-referenced test results which can be used to construct national statistics on student achievement.

The results of these efforts (especially the last) will determine whether it is possible to construct a national file of criterion- or objective-referenced test results which would be suitable for the simulations described under Issue 2 below. If it is possible to construct such a data base, one will be constructed so that simulations can be run.

2. Distributional Consequences and Incentives Implied by Alternative Eligibility Criteria

Every eligibility criterion can have several operational definitions, but the indicators used are often highly correlated with one another. Thus, each of the three basic eligibility criteria has a characteristic effect on who is to use and benefit from federal money. Once we have obtained the statistics on which a particular eligibility criterion can be based, it is possible to work out the characteristic allocation of funds in some detail. This can be done through simulations which calculate the allocations to states and local educational agencies resulting from the respective eligibility criteria. Supplementary information can be obtained through observation of existing procedures for allocating funds within states and

through experimental programs to operate alternative eligibility criteria in selected school districts. This section describes projects using each of the above techniques.

a. Computer Simulations

In the operation of Title I, each state's entitlement is calculated as a function of its share of the national total number of eligible children, the state's own level of expenditure per pupil, and the total appropriation available. Eligibility criteria affect the allocation of funds by determining the number and location of eligible children.

The numbers and locations of Title I eligible children are now determined by the poverty-based criteria detailed in Section 103 of P. L. 93-380. Other definitions of poverty, or criteria based on district need or student achievement, would work the same way. Once an eligibility criterion is defined and a source of appropriate statistics is established, the number and location of eligible children can be determined.

After the projects under Research Issue 1 have produced appropriate data bases, this project will conduct simulations to estimate the state-by-state distribution of eligible children.

These figures will be used in further simulations which will estimate the combined effect of alternative eligibility criteria, various levels of overall Title I appropriations, and different rules about the treatment of state per pupil expenditures, on the

allocation of funds. Simulations of "hybrid" eligibility criteria which may, for example, contain elements of both the poverty and student achievement criteria, will also be possible.

Precedents for this work exist in the simulations done by the National Bureau of Standards for USOE in 1972, by the Congressional Research Service in support of Congress' deliberations on P. L. 93-380, and in the comparisons of poverty- and student achievement-based criteria done by James Guthrie and Anne Frentz of Stanford Research Institute in the spring of 1974. Results and methods of those simulations will be source material for the simulations to be conducted under this project.

Simulations will provide information about the distributional implications of the eligibility criteria. Because the three criteria are not completely independent of one another (indeed criteria based on poverty and district need may produce very similar distributions of funds), the simulations will also indicate whether changing criteria results in substantial changes in the allocation of Title I funds.

b. Projects to Document the Present Allocation of Funds Within Counties

Allocation of funds to states and counties is under the direct control of the Office of Education; implementation of the rules is straightforward, and documentation of the results is readily available.

However, the way in which funds are allocated within counties is less clear and uniform. The states exercise considerable discretion in selecting statistics and formulae for these allocations. They are free to use any source of statistics, including census figures, AFDC counts, state income tax data, or other data bases which reasonably reflect the distribution of low-income children. As a result, the variety in state procedures is considerable, and the allocations achieved in one state may be different from the ones which would be obtained in identical counties in another state.

Because the allocation of funds within states ultimately determines which schools and groups of students will benefit from Title I funds, it must be explored carefully. This project will study the allocation of funds within states in two ways. First, it will document the actual allocation of funds to schools. Second, it will explore the implications of present federal policies which permit a diversity of subcounty allocation criteria.

To document the allocation of funds to schools, the project will collect information within selected districts[3] about the procedures for allocating both Title I and state program funds to schools and for assigning students within those schools to participate in compensatory education programs. Data gathered will also include allocations of funds to private schools, and to those serving Indian,

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[3]These districts will be the same as those selected for District Survey I under Student Development (see page 15 of previous section).

migrant, handicapped, neglected and delinquent children. This information will provide a complete picture of the allocation of compensatory education funds within the sample of school districts studied in District Survey I.

The second task of this project will be to discuss the variety of subcounty allocation criteria currently in use, and to estimate the degree to which the various criteria produce different allocation results. USOE now possesses up-to-date reports on each state's subcounty allocation criteria. NIE will work with the Commissioner of Education to synthesize available reports. This project will supplement the existing reports by selecting a sample of states which represent the range of subcounty allocation criteria currently in use. For selected counties in those states, the project will simulate the effects of using all of the existing subcounty allocation criteria, and examine the variance in fund allocation which results. The findings will allow Congress to assess the degree to which the current rules allow subcounty allocations to diverge from one another, and from the allocations which would be obtained under a single national criterion.

c. Incentives and Disincentives Implied by the Funding Criteria

All three of the basic eligibility criteria can be defined in terms of statistics which reflect local policy. If AFDC enrollments, teachers' salaries, property tax rates or students' test scores

affect eligibility for federal funds, local authorities have every reason to change those factors to maximize district income. A poorly designed eligibility criterion might encourage the escalation of AFDC enrollments or teachers' salaries, or a decline in local property tax rates, or an effort to bias test scores by systematically excluding some students, rather than bringing about identifiable improvements in educational programs.

Such outcomes are not inevitable, and careful attention to the design of eligibility criteria can make them less likely. But careful design can only follow an examination of the characteristic incentives implied by the alternative eligibility criteria.

A limited amount of hard evidence about incentives is available from the experience of state aid to education programs which employ the various eligibility criteria. NIE will assemble evidence from the existing Title I network, and sponsor careful analysis of the particular incentive structures of each of the alternative eligibility criteria.

d. Demonstration Projects

The third set of projects under Research Issue 2 are demonstrations of the effects of changes in the criteria by which Title I funds are allocated within local school districts. These projects are authorized by Section 821.a.5 of P. L. 93-380, which permits the Commissioner of Education, at NIE's request, to waive Title I

requirements for a maximum of twenty school districts. NIE is not authorized to make changes in the size of the districts' Title I grants, but NIE can assist districts with planning costs and support normal research data collection.

The demonstration projects might provide several kinds of useful information. Possible results include:

- o An understanding of the legal, administrative, and political mechanisms required to implement a change in the eligibility criteria used to distribute funds within a district. This will include information about both the financial costs of organizing to change allocation techniques, and the political costs implicit in such a change.
- o More concrete information than now exists about the sources of support and opposition to changes in eligibility criteria. (Such information can be general to any changes in criteria, as well as specific to particular changes.)
- o Evidence about the effects on program planning at the district level, and program offerings at the school level, of any changes in the allocation of Title I funds that result from changes in eligibility criteria. (Under the demonstration projects some schools' Title I allocations might change, while other schools might receive Title I funds for the first time. In either case, changes in school programs are likely and should be documented.)

- Evidence about the actual allocation of funds achieved through the alternative eligibility criteria. (Here it is important to note that unless a particular allocation scheme is based on data which have never been collected before, this information can be obtained with equal validity and at far less expense, either through simulations of the kind proposed above or through examination of state aid programs which use eligibility criteria different from those employed in Title I.)

The demonstration projects must be designed carefully to reflect the range of eligibility criteria which Congress might consider authorizing in future versions of a federal compensatory program.

Student achievement measures are important potential criteria for demonstration projects, as are other "composite" indices, which may involve weighted averages of poverty and student achievement measures, as well as aggregate "need" measures specific to school catchment areas.

Under the experimental programs authority, two kinds of rules might be waived. The first waiver would release districts from relying on poverty data to allocate funds. The second waiver would involve targeting of funds, especially rules about the degree of concentration of Title I eligible students required to make a school eligible for grants under Title I. One allocation rule we do not expect to waive is comparability, because of its importance in determining that Title I money truly supports compensatory education programs.

NIE has neither the authority nor the desire to initiate demonstration projects without the full cooperation of the parents in affected school districts, and of state education agencies. Accordingly, our first step in planning demonstration projects will be to solicit proposals from interested school districts. Candidate school districts may propose to allocate funds either according to measures of student achievement or according to other composite criteria. NIE will select among the proposals on grounds of their intrinsic interest, probable information value, and technical feasibility.

To ensure that proposed demonstration projects do not violate the rights of participants in the usual process of Title I administration, waivers will be granted only to districts whose proposals have been developed through consultation among school and district administrators and teachers, and have been approved by the applicant district's parent advisory council and by its state education agency.

The number of demonstrations actually conducted will depend on the range and quality of proposals and the costs of the planning and research they require. We shall not hesitate to use the entire twenty waivers if the quality and variety of proposals warrant it. However, there must be a financial trade-off between the number of experimental projects conducted and the richness of information gathered from each.

Once proposals are accepted, NIE will provide small planning grants to each of the successful school districts. At the same time,

NIE will petition the Commissioner of Education for the required waivers, to become effective on the first day of the next full school year. NIE will conduct case studies of the planning process before the waivers take effect. NIE will then conduct intensive studies of the implementation of Title I in the demonstration districts after the model of the District Survey I, described above under Student Development.

PART III: ADMINISTRATION OF COMPENSATORY EDUCATION

The prior two sections have discussed means of allocating federal funds and ways of assessing the effects of compensatory education on school programs and children's development. Conspicuously absent in those sections is any treatment of the administrative framework through which the Federal Government must work in implementing a compensatory education program.

The research proposed here is designed to supplement that described in the previous two sections by examining the administrative framework and its effects on program operation. The question of how best to design and influence program administration is intrinsic to the mandate to explain the current operation of Title I and make suggestions for its improvement. It is most clearly expressed in clause (6) of Section 821(a) of P.L. 93-380, which requires the study to include:

> (6) findings and recommendations, including recommendations for changes in such title I or for new legislation, with respect to the matters studied under clauses (1) through (5).

In response to Congress' mandate, therefore, we propose to conduct:

- A survey of the regulations which states employ to supplement USOE regulations of Title I and to administer other federal and state compensatory education programs.

- Case studies which describe the implementation of regulations in a regionally representative sample of states and districts and the effects on school-level program activities.

In order to obtain the best possible information on the interaction between administration and the related processes that have been treated under Student Development and Fund Allocation, the districts studied will be selected from among those already involved in other research projects.

A. RESEARCH ISSUES

In creating or modifying a compensatory education program, legislation addresses itself directly to the regulations and procedures followed by federal, state and district personnel, and not, for example, to the decisions made by a classroom teacher introducing individualized reading instruction. Therefore, NIE must be concerned explicitly with the operation of this hierarchy, and with the factors which determine how a compensatory education program is implemented and administered.

1. Program Regulations

a. What regulations are used to administer compensatory education programs?

Although a considerable amount of work has been done on the Federal Government's management of Title I (e.g., Planar Corporation, 1972, 1973; McLaughlin, 1974), little has been done to consolidate information concerning the ways states interpret and add to Title I regulations or regulate state compensatory programs.

However, administration is, to a substantial degree, the responsibility of sub-federal agencies, particularly the states. Congress and the Office of Education establish fund allocation criteria and general program requirements, but it is the states that give those requirements real operational meaning. They interpret federal regulations and guidelines for their constituent local education agencies and may add supplementary requirements of their own. The states approve local programs, enforce federal regulations, and provide technical assistance to local districts. In contrast, the Office of Education has no direct contact with local education agencies, and acts in an almost purely advisory manner toward the states. Thus, the states are key actors in the implementation of Title I.

However, the states are not a homogeneous group. They differ tremendously in the content of the requirements they impose on their local districts, and in the nature of the compensatory education activities they themselves initiate. Therefore, we propose to survey the regulations used by state education agencies to administer compensatory education programs. This will provide a national profile of approaches to program administration, and the information necessary to ensure that the areas chosen for detailed case studies include within them the important variants.

2. Program Implementation

   a. What factors affect the ways in which states and districts administer compensatory education programs?

The specific content of regulations is only one variable which affects the actual administration of compensatory programs. In no program or agency are regulations self-enforcing and there is generally room for considerable disagreement on how they are to be interpreted. The administration of compensatory education, and of other federal, state and district programs, is potentially related to such factors as state and district organization, multiplicity of programs, incentives for compliance, and enforcement mechanisms. Research is therefore proposed which will chart the effects of these factors and their implications for program design.

The organizational patterns of state and local education agencies vary considerably; for example, large differences exist in the degree of separation between federal and state programs, the use of self-contained compensatory education departments, the position afforded compensatory education coordinators in their contact between program administrators and research departments, and the degree of decentralization of planning. The importance of examining alternative forms of organization is pointed up by existing studies (e.g., Berman and McLaughlin, 1974) which note the program implications of such factors as voluntary participation by and consultation with personnel throughout the administrative hierarchy and linkages with existing local projects and resources.

The number of district programs which exist is also likely to affect the administration of compensatory education. Relevant here are studies of other policy areas, which have found clear and uniform

objectives to be important in determining whether a program is ever implemented (e.g., Downs, 1967). Federal regulations (45 CFR 116.24) require that districts' applications show how a Title I project will be coordinated with other programs serving the children concerned, but very little information is available on how program design, administrative practices, and the degree of compliance with any one program's guidelines are affected by the current multiplicity of programs concerned directly or indirectly with compensatory education.

Incentives for compliance--for example, special grants to local education agencies, or dissemination networks which give successful personnel wide exposure and career advancement--are also potentially related to how programs are administered. In addition, the specific requirements built into different compensatory programs may themselves result in unanticipated incentives or disincentives for action. For example, application procedures and criteria for receiving funds differ from program to program, and these variations are likely to influence compliance with regulations.

Finally, the study will examine the effectiveness of possible enforcement mechanisms such as the use of third party program evaluators, and the existence of a state legislative committee directly concerned with compensatory education. Lawsuits, the actions of parent advisory councils, and audit agencies may also be important enforcement devices, and the study will pay particular attention to the circumstances under which each is effective.

In describing the effects of the administrative and regulatory factors discussed above, we shall consider the various ways in which educational agencies implement regulatory requirements, the feasibility of complying with particular regulations, and the extent to which regulations achieve their intended purposes. Thus, for example, in examining state and district responses to the requirement for program evaluation, information will be gathered on the type of evaluations which are conducted, whether the evaluation requirements as presently defined can realistically be accomplished, and whether evaluations have any impact on the design and conduct of educational programs. This information will provide a basis for determining whether legislative changes are appropriate and whether present requirements and guidelines can be implemented more effectively.

B. RESEARCH PROJECTS

To address the issues described above, the following two research efforts will be implemented.

1. Program Regulations

a. Survey of Regulations

We propose to collect state Title I regulations and those of other federal and state compensatory programs. This information will be synthesized with federal Title I regulations and guidelines to provide a profile of the legal framework of compensatory education in the United States and the different regulatory approaches adopted,

and a benchmark against which actual administrative behavior will be measured. The survey will be conducted by mail in the first months of the study, and will be sent to all state education agencies.

2. Program Implementation

a. Case Studies of Administrative Practices

States and school districts selected for case studies will be a subsample of those participating in the research on Student Development and Fund Allocation. Selections will be based on the survey of regulations so as to be regionally representative, include at least three with state compensatory education programs, and differ in size and administrative structure. Approximately six states and 15-18 districts within these states will participate in the study. Observers will collect data at regular intervals during a period of one year; this effort will involve extensive interviews, observation of planning sessions, and collection of historical data. As described above, the research will be designed to examine relationships between program administration and each of the following factors:

- o Organizational Patterns. The way in which a state or district organizes its compensatory education activities will be studied; particular attention will be paid to relationships between this organization and the efficient implementation of regulations.

- Multiplicity of Programs. The ways in which multiple program requirements are actually carried out by educational agencies and schools, and the ensuing effects on program coordination or fragmentation will be analyzed.

- Incentives for Compliance. Potential incentives for compliance which might be adopted by districts, states and USOE, as well as indirect incentives and disincentives built into different compensatory education programs will be assessed.

- Enforcement Mechanisms. The mechanisms currently used by USOE and state education agencies will be identified; in addition, the circumstances under which lawsuits, parent councils, and audit agencies have contributed to effective enforcement will be described.

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APPENDIX A

COMPENSATORY EDUCATION STUDY BUDGET ($ MILLION)

	1975	1976	1977
Student Development	2.0	2.5	2.5
Fund Allocation	1.5	1.8	1.8
Administration of Compensatory Programs	1.0	0.2	0.2
General Analysis and Report Preparation	0.5	0.5	0.5

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STUDENT DEVELOPMENT BUDGET ($ MILLION)

Research Projects	FY 75 Research Activity	FY 75 Budget Estimate	FY 76 Research Activity	FY 76 Budget Estimate	FY 77 Research Activity	FY 77 Budget Estimate
1. Program Purposes, Strategies, and Evaluation Techniques						
a. District Survey I	Study design and site visits; initiation of field work contracts.	1.20	Field work and preliminary data analysis	1.00	Field work, analysis, final report	1.00
2. Program Effectiveness						
a. Research synthesis and secondary data analysis	Review of literature and data sources	0.40	Final report--research synthesis; secondary data analysis	0.50	Final report--secondary data analysis	0.10
b. District Survey II	Study design, selection and development of measures, site visits	0.40	Field work and preliminary data analysis	1.00	Final report--secondary data analysis	1.40

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FUND ALLOCATION BUDGET ($ MILLION)

Research Projects	FY 75 Research Activity	FY 75 Budget Estimate	FY 76 Research Activity	FY 76 Budget Estimate	FY 77 Research Activity	FY 77 Budget Estimate
1. Development of funding criteria						
a. Measures of poverty	Review of data sources, index construction	0.05	Continuation of FY 75 work and final report	0.05		
b. Measures of district need	Review of theory, data sources, index construction, and costs.	0.10	Continuation of FY 75 work and final report.	0.10		
c. Measures of academic performance	Review of measurement techniques, theory, data sources, and costs.	0.10	Continuation of FY 75 work and final report.	0.10		
2. Distributional consequences and incentives implied by alternative eligibility criteria						
a. Computer simulations			Simulations	0.20	Simulations and final report	0.20

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FUND ALLOCATION BUDGET ($ MILLION)
(continued)

Research Projects	FY 75 Research Activity	FY 75 Budget Estimate	FY 76 Research Activity	FY 76 Budget Estimate	FY 77 Research Activity	FY 77 Budget Estimate
b. Studies of within-county allocations	Synthesis and review	0.10	Field work and preliminary analysis.	0.30	Final report.	0.05
c. Incentives and Disincentives implied by funding criteria.	Review of literature, initial field work.	0.05	Field work and preliminary analysis.	0.20	Field work, analysis, final report.	0.10
d. Demonstration projects	Proposals from school districts; initiation of research contracts	1.10	District planning grants and field work.	0.85	Field work, final report, initiate supplementary report	1.45

0059 0003

ADMINISTRATION OF COMPENSATORY PROGRAMS BUDGET ($ MILLION)

Research Projects	FY 75 Research Activity	FY 75 Budget Estimate	FY 76 Research Activity	FY 76 Budget Estimate	FY 77 Research Activity	FY 77 Budget Estimate
1. Program Regulations						
a. Survey of Regulations	Mail survey of state education agencies, synthesis, final report.	0.05				
2. Program Implementation						
a. Case Studies of Administrative Practices	Study design, site visits, initiation of field work contracts.	0.95	Field work and preliminary analysis.	0.20	Field work, final report.	0.20

GENERAL ANALYSIS BUDGET ($ MILLION)

		FY 75		FY 76		FY 77	
	Research Projects	Research Activity	Budget Estimate	Research Activity	Budget Estimate	Research Activity	Budget Estimate
1.	General Analysis and Report Preparation	Review papers, conferences, policy analysis, report preparation.	0.50	Review papers, conferences, policy analysis, report preparation.	0.50	Conferences, policy analysis, report preparation.	0.50

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STUDENT DEVELOPMENT TIME SCHEDULE

Project: District Survey I

February - June 1975	Draw sample of districts; work with Chief State School Officers, local education agencies and parent advisory councils to obtain their consent to conduct field work; establish field work procedures.
June 1975	Initiate field work contracts.
July 1975	Establish list of districts to be surveyed.
August - December 1975	Prepare for field work in districts.
January - June 1976	Conduct first year's field work.
June - December 1976	Prepare interim report for Congress.
September - December 1976	Complete field work.
January - September 1977	Prepare final report on District Survey I and integrate it with results of other projects.

Project: Research Synthesis and Secondary Data Analysis

February 1975	Begin review of literature and data sources
March - September 1975	Initiate contracts with education agencies, research firms and university researchers, for analysis of data on effectiveness of compensatory education
September 1976	Final report - research synthesis
September 1977	Final report - secondary data analysis

Project: District Survey II

February - June 1975	Design study; draw sample of districts; work with Chief State School Officers, local education agencies and parent advisory councils to obtain consent to conduct field work; establish field work procedures.

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July - August 1975	Establish list of districts to be surveyed.
September - December 1975	Prepare for field work in districts.
January - June 1976	Conduct first year's field work.
June - December 1976	Prepare interim report for Congress.
September 1976 - June 1977	Conduct second year's field work.
January - September 1977	Prepare final report on District Survey II and integrate it with results of other projects.

FUND ALLOCATION TIME SCHEDULE

Project: Development of Funding Criteria

March - July 1975	Studies of costs and feasibility of developing national statistics to permit allocation of federal funds according to poverty, district need, and student achievement criteria.
August - October 1975	Development of data files to permit simulations of the distributional implications of alternative eligibility criteria. (Results are used for computer simulations below.)
June 1976	Final report - funding criteria.

Project: Computer Simulations

November 1975	Initiation (at completion of the project on development of funding criteria).
November 1975 - July 1976	Conduct simulations.
August - December 1976	Prepare interim report to Congress (final report of this project).

Project: The Present Allocation of Funds Within Counties

April - October 1975	Examination of federal and state records on subcounty and sub-district allocation criteria.
November 1975 - April 1976	Computer simulations of distributional effects of the range of existing sub-county allocation criteria.
September 1975 - June 1976	Use District Survey I (See Student Development) as vehicle for collecting data on actual subcounty and sub-district allocation of Title I funds.
July - December 1976	Integrate results and prepare interim report to Congress (final report of this project).

00060

Project: Studies of Incentives and Disincentives Implied by the Funding Criteria

April 1975 - June 1976	Analysis of Title I, state compensatory education program records and other sources.
July - December 1976	Prepare interim report to Congress (final report of this project).

Project: Demonstration Projects

March 1975	Request for proposals from local education agencies on use of waivers.
June 1975	Proposals due from districts; initiation of research contracts.
September 1975	Selection of districts for waivers.
October 1975	Announcement of waivers by the Commissioner; NIE provides planning grants to demonstration districts and initiates planning case studies.
September 1976	Waivers take effect; intensive district studies begin.
September 1977	Final report on all aspects of fund allocation with the exception of second year of demonstration projects; first year of demonstration projects is covered in the report.
June 1978	Waivers expire.
September 1978	Supplementary report on demonstration projects.

ADMINISTRATION OF COMPENSATORY PROGRAMS TIME SCHEDULE

Project: Survey of Regulations

March - April 1975	Collection of state regulations governing the conduct of Title I and other federal and state compensatory programs.
May 1975	Preliminary analysis of data and interim report.
June - July 1975	Final report on regulations prepared.

Project: Case Studies of Administrative Practices

March - June 1975	Draw sample of states and districts; work with Chief State School Officers, local education agencies and parent advisory councils to obtain their consent to conduct field work; conduct site visits; establish list of states to be surveyed on basis of consultations and interim report on regulations; establish field work procedures.
June 1975	Initiate field-work contracts.
July 1975	Establish list of districts to be surveyed.
July - October 1975	Prepare for field work in state education agencies
August - December 1975	Prepare for field work in districts.
November 1975 - June 1976	Conduct first year's field work in states (November-June) and districts (January-June).
June - December 1976	Prepare interim report for Congress.
September - December 1976	Complete field work.
January - September 1977	Prepare final report for Congress.

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APPENDIX B

Public Law 93-380
93rd Congress, H. R. 69
August 21, 1974

PART B—EDUCATIONAL STUDIES AND SURVEYS

STUDY OF PURPOSES AND EFFECTIVENESS OF COMPENSATORY EDUCATION PROGRAMS

20 USC 1221e note.

SEC. 821. (a) In addition to the other authorities, responsibilities and duties conferred upon the National Institute of Education (hereinafter referred to as the "Institute") by section 405 of the General Education Provisions Act and notwithstanding the second sentence of subsection (b)(1) of such section 405, the Institute shall undertake a thorough evaluation and study of compensatory education programs, including such programs conducted by States and such programs conducted under title I of the Elementary and Secondary Education Act of 1965. Such study shall include—

86 Stat. 328.
20 USC 1221e.

64 Stat. 1100; 79 Stat. 27; Ante, p. 488.
20 USC 236.

(1) an examination of the fundamental purposes of such programs, and the effectiveness of such programs in attaining such purposes;

(2) an analysis of means to identify accurately the children who have the greatest need for such programs, in keeping with the fundamental purposes thereof;

(3) an analysis of the effectiveness of methods and procedures for meeting the educational needs of children, including the use of individualized written educational plans for children, and programs for training the teachers of children;

(4) an exploration of alternative methods, including the use of procedures to assess educational disadvantage, for distributing funds under such programs to States, to State educational agencies, and to local educational agencies in an equitable and efficient manner, which will accurately reflect current conditions and insure that such funds reach the areas of greatest current need and are effectively used for such areas;

(5) not more than 20 experimental programs, which shall be reasonably geographically representative, to be administered by the Institute, in cases where the Institute determines that such experimental programs are necessary to carry out the purposes of clauses (1) through (4), and the Commissioner of Education is

authorized, notwithstanding any provision of title I of the Elementary and Secondary Education Act of 1965, at the request of the Institute, to approve the use of grants which educational agencies are eligible to receive under such title I (in cases where the agency eligible for such grant agrees to such use) in order to carry out such experimental programs; and

64 Stat. 1100; 79 Stat. 27; Ante, p. 488. 20 USC 236.

(6) findings and recommendations, including recommendations for changes in such title I or for new legislation, with respect to the matters studied under clauses (1) through (5).

(b) The National Advisory Council on the Education of Disadvantaged Children shall advise the Institute with respect to the design and execution of such study. The Commissioner of Education shall obtain and transmit to the Institute such information as it shall request with respect to programs carried on under title I of the Act.

Information, availability.

(c) The Institute shall make an interim report to the President and to the Congress not later than December 31, 1976, and shall make a final report thereto no later than nine months after the date of submission of such interim report, on the result of its study conducted under this section. Any other provision of law, rule, or regulation to the contrary notwithstanding, such reports shall not be submitted to any review outside of the Institute before their transmittal to the Congress, but the President and the Commissioner of Education may make to the Congress such recommendations with respect to the contents of the reports as each may deem appropriate.

Report to President and Congress.

(d) Sums made available pursuant to section 151(i) of the Elementary and Secondary Education Act of 1965 shall be available to carry out the provisions of this section.

Ante, p. 499.

(e)(1) The Institute shall submit to the Congress, within one hundred and twenty days after the date of the enactment of this Act, a plan for its study to be conducted under this section. The Institute shall have such plan delivered to both Houses on the same day and to each House while it is in session. The Institute shall not commence such study until the first day after the close of the first period of thirty calendar days of continuous session of Congress after the date of the delivery of such plan to the Congress.

Study plan, submittal to Congress.

(2) For purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

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